

## President's Notes

by Rene Brison, CPA, CFE

# The Examiner

Hello and welcome back! Is it just me, or does it seem like just yesterday we were celebrating at the June social? How time flies (and some of you know like I do that it goes faster and faster with each passing year). Oh well, I hope you had a great summer and are looking forward to enjoying another great year with the Middle Tennessee Chapter of the Association of Certified Fraud Examiners!

Although I have attended luncheons with the Middle Tennessee Chapter ACFE off and on for many years, it is only in recent years that I have become involved at the Board/Committee level and realized the actual time and effort expended to make our chapter the best in the world. (Ok, I may not be real objective on that issue, but it's the truth!) For all of you who have served this chapter in some capacity in the past, or are currently serving – please accept my sincere appreciation and gratitude for all your hard work.

It was with great honor that I accepted this position. It is truly an honor to help lead such an outstanding organization. Many of you may not be aware of how well known our group is nationally. It truly is considered one of the most successful chapters around the world. Several of our members have served at the national level. We have many inquiries from other organizations about our annual conference, our free training, our luncheons, our scholarships, our benevolences, and our other activities. Other chapters want to know what our secret is. My answer is always the same. It is our people! It is you willing to get involved by serving on the board or committees, and being willing

to make the necessary sacrifices to promote, attend and/or support the chapter activities. So I say to all of you – Thank You!

It was also with great trepidation that I accepted this position. It seems to me the goal is to continually improve. I have little experience in this type of leadership role. How in the world was I going to improve such an outstanding organization? I realized, however, that thankfully, it's not "I". It's all of us committed and working together, sharing ideas, and getting even better – together.

Just so you know, one thing at which I do have experience is fraud examination. I have worked for the State of Tennessee, Office of the Comptroller of the Treasury, Division of Municipal Audit since 1983.

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## President's Message (Continued)

In 1989, our office began an investigative unit consisting of myself and another auditor – and the rest is history. I have participated in hundreds of investigative audits in my career, worked with law enforcement at the local, state, and federal levels, worked with prosecutors, testified at grand juries, sentencing hearings and trials, been deposed in related civil cases, etc., etc., etc. What a noble mission we as fraud examiners have – to determine the truth! And if you get to catch bad guys in the process, what more could you want? I loved my work then and I still love it. To steal a phrase, "It's not just a job, it's an adventure!" As many of you can identify with, my work often requires extensive in-state travel. However, I am committed to being present at as many of the activities as possible.

Ok, enough with the soap box. Your board has been hard on the 2008 fraud conference, obtaining quality luncheon speakers, and a myriad of other issues. By the way, if any of you are interested in being a presenter at a luncheon meeting, please call or e-mail myself, Bob McCloud, or one of the other chapter officers. I look forward to seeing all of you at our next luncheon meeting on October 24<sup>th</sup> at the Raintree Room at Scarritt-Bennett Center!

Rene

(NOTE: Future notes from me will be much more brief. I would like to say that's because, given the length of this, I've said all I have to say. However, my spouse would tell you I'm lying.)

## Meeting Minutes May 2007

The Middle Tennessee Chapter, Association of Certified Fraud Examiners met on May 24, 2007, at the Raintree Room of Scarritt-Bennett Center. Chapter President Fred Pasteur called the meeting to order. He then asked members to introduce their guests.

Fred asked if there were any additional nominations from the floor for the new Board of Directors. Seeing none, the membership voted by show of hands to approve the Board of Directors presented by the nominating committee (see below). Fred announced that the new board would be installed at the June 14<sup>th</sup> Social meeting, and thanked Bob McCloud, Britt Wood, and Adam Gamble for their service on the nominating committee.

### 2007-2008 Chapter Board

President	Rene Brison
Past President	Fred Pasteur
President Emeritus	Dennis Dycus
Vice President and President Elect	Bob Cleland
Treasurer	Mark Ingram
Secretary	Beth Pendergrass
Training Director	Alberto Pena
Board Member	Don Johnson
Board Member	Sharon Matheny
Board Member	Britt Wood

Fred made the following announcements:

- Five scholarships of \$2,000 each will be presented at the June social. Winners will be notified by mail.
- The chapter will present representatives of four local Habitat for Humanity chapters with checks for \$2,500.
- The chapter will present a check for \$7,500 to the ACFE at the 18<sup>th</sup> Annual Fraud Conference for the Ritchie Jennings Scholarship Fund.
- Bob Cleland was the winner of the free trip to the ACFE's 18<sup>th</sup> Annual Fraud Conference in Orlando, Florida.

The June Social will be held from 6:00 to 8:00 p.m. on June 14<sup>th</sup> at the Scarritt-Bennett Center, in the Raintree

## May Meeting Minutes (Continued)

Room. The social is free to members, and each member is allowed to bring one guest, also for free.

Hellens Kruszynski introduced the speaker, Mr. Barry Monson, with the Tennessee Office of the Comptroller of the Treasury. Mr. Monson spoke on the History of the Property Tax.

At the conclusion of his presentation, Mr. Monson was presented with a proof set of U.S. Mint Coins. Jim Harvey won the \$25 door prize. The meeting was adjourned.

## September 2007

The Middle Tennessee Chapter, Association of Certified Fraud Examiners met on May 24, 2007, at the Raintree Room of Scarritt-Bennett Center. Chapter President Rene Brison called the meeting to order. She introduced the Chapter Board members and the standing committee chairs and members. She then announced that the 12<sup>th</sup> Annual Fraud Conference would be held March 17 and 18, 2008. She then asked members to introduce their guests. Following the introduction of guests, Rene presented framed CFE certificates to Regina Dobbins and Micheal Baer. She then turned the floor over to Bob McCloud, who introduced the speaker, our own Daniel Porter. Mr. Porter spoke on "Interviewing Dos and Don'ts. At the conclusion of Mr. Porter's presentation, Jeff Hughes won the drawing for a \$25 door prize, and Rene adjourned the meeting.

## Association Update

Don't forget to check out the ACFE's web site for up-to-date information on fraud happenings from all over the world. The association's web site is:

<http://www.acfe.com>.

## October Speaker

### Bob Cleland, CFE



Bob Cleland is a Senior Managing Consultant with LECG, LLC. With more than ten years of experience in providing forensic accounting, data/records management, economic and operational advice to a variety of clients. Mr. Cleland has extensive experience in assisting organizations in assessing their current risk management weaknesses and applying appropriate best practice methodologies to reduce or eliminate their risk exposure. He is also knowledgeable of the various regulatory requirements that exist across several industries as evidenced by his selection to assist the Centers for Medicare and Medicaid Services (CMS) in their implementation of the Medicare Modernization Act of 2003, (commonly referred to as the Prescription Drug Program) as well as previously serving as a team member in the capacity of an Independent Review Organization (IRO) for several companies under a Corporate Integrity Agreement issued by the Office of Inspector General. Mr. Cleland's was selected to the LECG team that assisted the SEC in their fraud investigation into one of the largest telecommunication companies in the country and their public accounting firm. Mr. Cleland has many years in the consulting environment, as well as industry/operational experience having previously worked for two fortune 500 international organizations. Areas of concentration include:

- Healthcare
- Data/Record Reviews
- Compliance
- Damage Analysis/Lost Profits
- Government Investigations
- Forensic Accounting
- Fraud Investigations
- Turnaround/Workout

Mr. Cleland earned his BS in Accounting from David Lipscomb University, Nashville, TN.

## Member Profile

Jeffrey Hughes, CFE



Hello my name is Jeffrey Hughes and I was born in Lawrenceburg, TN where I still live today. I have been married to my wife, Jenifer, since May 2006 and we have 2 boys. Cayden who is 4 and Jayse who is 7 months. I started with State Audit Financial & Compliance on March 1, 2006. I had never thought about working for the State until my auditing professor told me he had put me down for an interview. I figured I did not have anything to lose so I showed up to the interview and was then offered a job. I graduated from UNA in December 2005 with a BBA in Accounting as well as Human Resource Management. I am currently working on my MBA and should be done in May 2008.

Before beginning my journey with State Audit I was working for Marriott Shoals Hotel & Spa as their Night Audit Supervisor & Accounts Payable Clerk. This was a 4-star ho-

tel that had recently opened up in the Florence, Alabama area and it was beautiful. However, when I was offered a job with the State I had to say my goodbyes.

Since being at State Audit I have been on several audits and each day is always bring something new to light. I obtained my CFE in March 2007 and plan to start studying for my CPA after I finish my MBA.

## 12<sup>th</sup> Annual Fraud Conference

Mark your calendars now for the Middle Tennessee Chapter, ACFE's 12<sup>th</sup> Annual Fraud Conference on March 17 and 18, 2008. Once again held at the Willis Conference Center, the Fraud Conference will feature noted speakers on the topic of fraud prevention, detection, and prosecution. The Conference Committee is working to bring you 16 hours of the best available training at a reasonable cost. Brochures will be out very soon, and will be both e-mailed to members and posted on the chapter's web site, <http://www.middletennesseecfe.org/largesite/frconference.htm>.

### The Many Faces of Fraud

- Lotteries Lottery Clubs**  
Congratulations! You've Won the Lottery!  
**It's A Scam!**
- Money Offers**  
Transfer Money into Your Account!  
**It's A Scam!**
- Investment Fraud**  
Get Rich Quick! Big Return on Your Investment!  
**It's A Scam!**
- Equity Thefts**  
Unlicensed Door to Door Loans and Contractors.  
**It's A Scam!**

**Can Artist**

- \* Overly Friendly
- \* Offers Something for Nothing
- \* Promises a Big Return on your Money
- \* Get you to Focus on the Prizes
- \* Asks for Good Faith Money

Public Service Announcement  
Los Angeles County Sheriff's Department

## Annual Conference Contest Point System

The 19<sup>th</sup> Annual ACFE Fraud Conference is scheduled to be held July 13-18, 2008 in Boston, Massachusetts. Once again, the Middle Tennessee Chapter will hold its annual contest to win an all-expense paid trip to the conference. You can earn points to compete for the trip according to the following schedule. This year, Jeff Hughes ([Jeff.Hughes@state.tn.us](mailto:Jeff.Hughes@state.tn.us)) will be tracking the points earned. Please submit your points to him as you earn them to be sure you are appropriately credited.

<u>Category</u>	<u>Points</u>
Attending Monthly Chapter Meeting	1 point per meeting
Publish Article in Chapter Newsletter	2 points
Sponsoring a New Member	2 points per new member
Publish member profile in Chapter Newsletter	1 point
Contribution to "Been There, Said That, Done That"	1 point per contribution per Month
Publication of Case Results	2 points
Participating as a speaker in the Chapter Speaker's Bureau	2 points per engagement
Publication of an article in the Association's <i>Fraud Magazine</i>	3 points
Attending the Chapter's 12 <sup>th</sup> Annual Conference	2 points
Service on Chapter Committee	2 points

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## Free Day of Training Thursday, January 17, 2008

Don Rabon, a noted author and presenter in the area of interviewing techniques will conduct a full day of training on January 17, 2008. Please register to attend by contacting Doreen Zientar ([dzientar@deloitte.com](mailto:dzientar@deloitte.com)). This day of training will be held at Nashville State Community College (formerly Nashville Tech), and is free to Middle Tennessee Chapter, ACFE members. Mark your calendars, e-mail Doreen with your reservation, and don't forget to come!

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## Chapter Officers and Board Members:

President	Rene Brison, CPA, CFE	747-5353	<a href="mailto:rene.brison@state.tn.us">rene.brison@state.tn.us</a>
Vice President	Bob Cleland, CFE	726-7969	<a href="mailto:bcleland@lecg.com">bcleland@lecg.com</a>
Past President	Fred Pasteur, CFE	822-0548	<a href="mailto:fred.pasteur@aol.com">fred.pasteur@aol.com</a>
President Emeritus	Dennis Dycus, CPA, CFE	401-7871	<a href="mailto:dennis.dycus@state.tn.us">dennis.dycus@state.tn.us</a>
Treasurer	Mark Ingram, CFE	507-6534	<a href="mailto:mark.ingram@state.tn.us">mark.ingram@state.tn.us</a>
Secretary	Beth Pendergrass, CFE, CISA, CGFM	747-5294	<a href="mailto:beth.pendergrass@state.tn.us">beth.pendergrass@state.tn.us</a>
Training Director	Bob McCloud, CFE, CGFM	747-5210	<a href="mailto:bob.mccloud@state.tn.us">bob.mccloud@state.tn.us</a>
Member at Large	Don Johnson	253-2164	<a href="mailto:don.johnson@state.tn.us">don.johnson@state.tn.us</a>
Member at Large	Sharon Matheny, CGFM	744-4326	<a href="mailto:sharon.matheny@state.tn.us">sharon.matheny@state.tn.us</a>
Member at Large	Britt Wood, CPA, CFE	253-2018	<a href="mailto:britt.wood@state.tn.us">britt.wood@state.tn.us</a>

## Committee Chairs

Website	Lew Robbins, CPA	747-5325	<a href="mailto:lewis.robbs@state.tn.us">lewis.robbs@state.tn.us</a>
Library	Hellens Kruszynski, CFE	401-7909	<a href="mailto:hellens.kruszynski@state.tn.us">hellens.kruszynski@state.tn.us</a>
Newsletter	Beth Pendergrass, CFE, CISA, CGFM	747-5294	<a href="mailto:beth.pendergrass@state.tn.us">beth.pendergrass@state.tn.us</a>
Membership	Nicole Williams, CFE	747-5293	<a href="mailto:nicole.m.williams@state.tn.us">nicole.m.williams@state.tn.us</a>
Hospitality	Doreen Zientar, CIA	882-7179	<a href="mailto:dzientar@deloitte.com">dzientar@deloitte.com</a>
Scholarship/Outreach	Ron Hickman, CPA, CFE	532-7098	<a href="mailto:rhickman@crowechizek.com">rhickman@crowechizek.com</a>
Job Placement	Herman Statum, CFE, CPA	377-4977	<a href="mailto:hstatum@deloitte.com">hstatum@deloitte.com</a>
Historic	Britt Wood, CFE, CPA	253-2018	<a href="mailto:britt.wood@state.tn.us">britt.wood@state.tn.us</a>
Nominating	Bob McCloud, CFE	747-5210	<a href="mailto:bob.mccloud@state.tn.us">bob.mccloud@state.tn.us</a>

## Important Meeting Information

**Luncheons are \$10.00 for members who make their reservations by 9:30 a.m. on the Tuesday prior to the luncheon. For members making their reservations after that time on Tuesday, until Thursday morning, and for members who make a reservation but do not attend or call to cancel, the cost is \$15.00. Scarritt-Bennett Center charges us \$16.00 for meals when no reservation is made. Therefore, for individuals who attend without making a reservation, the cost is \$16.00. First-time guests eat free.** After a guest's first visit, he or she will be charged \$12.00 for the lunch, provided he or she makes a reservation. Without a reservation, the lunch is \$16.00. Scarritt-Bennett provides excellent meals and plenty of free parking. For reservation contact Doreen Zientar at 882-7179 or by email at: [dzientar@deloitte.com](mailto:dzientar@deloitte.com).

## Luncheon Dates

(Luncheon time: 11:30)

October 24, 2007  
November 14, 2007  
December 13, 2007 (Social–  
Doubletree Hotel, Airport)  
January 24, 2008  
February 28, 2008  
April 16, 2008  
May 22, 2008  
June Social (TBA)

## Directions to our Luncheon at the Scarritt-Bennett Center

From Downtown: Take West End Avenue south to 19th Ave. Turn left on 19th and drive to Division Street. Turn left on Division for about 100 feet, then turn back to the right on 19th Ave. Follow 19th Avenue to Grand Ave., turn left on Grand, turn right from Grand onto 18th Avenue. You will find two entrances to Scarritt-Bennett parking lots on the right just after you turn onto 18th Ave. We will be meeting in the Bennett Building in the Raintree Room on the 2nd floor. The Bennett Bldg. is about the same distance from either parking lot, toward the 19th Ave. side of the campus. Feel free to arrive early and get acquainted with the facility. If you are traveling from the south side of town, travel north on West End to 19th Ave. (You will pass the street that you used to turn on to go to the University Club.) Turn right on 19th Avenue and go to Division Street. Follow the rest of the directions from above. Visit [www.scarrittbennett.org](http://www.scarrittbennett.org) to see a map of their campus.

Middle Tennessee Chapter Email: [info@middletennesseecfe.org](mailto:info@middletennesseecfe.org)  
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